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BUREAU OF LAND MANAGEMENT OR-06-13

For release: March 7, 2006 (503) 808-6003

BLM Prepares for Upcoming Oil and Gas Lease Sale

PORTLAND-The Bureau of Land Management (BLM) Oregon State Office announced that it will offer 167 parcels totaling 279,660 acres in Oregon and Washington at its March 9, 2006 Oil and Gas Lease Competitive Sale. In Washington the BLM is offering 41 parcels totaling 55,181 acres, and in Oregon the BLM is offering 126 parcels totaling 224,479 acres.

The sale will be held at 9:00 AM at the Robert Duncan Plaza Building, 333 SW 1st Avenue, Portland, Oregon in the 3rd floor conference rooms.

Auction rules call for a \$2 per acre minimum bid in bonuses on any parcel. This means a buyer will pay the bid price for the right to obtain the federal lease, in addition to a standard \$1.50 per acre rental on the lease. BLM will also charge winning bidders \$130 per parcel to help cover administrative costs. If the lease becomes producing, the federal government will collect a royalty on production. As part of royalty sharing, the state that the lease is located in receives half the bid price, half of the rental fee, and half of the royalty if the well is producing.

The complete list of parcels is available on the Oregon/Washington BLM web site at: http://www.blm.gov/or/landsrealty/minenergy.htm

Of the total acreage managed nationally by the BLM, less than 1 percent of surface land is disturbed by oil and gas activity. To minimize impacts on the land, the BLM analyzes the potential environmental impacts from exploration and development before offering any leases for sale. All leases come with stipulations on oil and gas activities to protect the environment. Stipulations also can include specific restrictions, such as limits on seasons when drilling can occur and restrictions on surface occupancy by oil and gas operators.

When preparing land use plans, revisions, or when parcels are nominated for leasing, the BLM considers available new information to determine if any significant new circumstances or impacts have occurred since the completion of the most recent land use plan. All parcels offered for lease in this sale were analyzed on a case-by-case basis to determine whether existing environmental analysis was adequate.

The BLM, an agency of the U.S. Department of the Interior, manages more land – 261 million surface acres – than any other Federal agency. Most of this public land is located in 12 Western states, including Alaska. The Bureau, with a budget of about \$1.8 billion, also administers 700 million acres of sub-surface mineral estate throughout the nation.



